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DIRECTORATE OF
INTELLIGENCE

MORI/CDF

Intelligence Memorandum

IRAN: THE IMPACT OF SOVIET ARMS

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15 February 1967

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
15 February 1967

INTELLIGENCE MEMORANDUM

Iran: The Impact of Soviet Arms

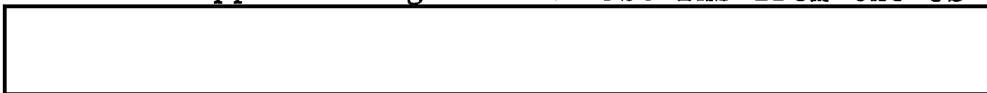
Summary

The Shah, seeking to reduce to some degree his almost complete dependence on the US for arms, has concluded a barter contract with the USSR for military equipment valued at an estimated \$35 million.



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It is possible that the arms agreement provides for more equipment than is presently indicated, perhaps up to \$100 million. The Shah, however, apparently looks on his acquisition of Soviet equipment as supplementing what he obtains from the US



The new equipment will add significantly to Iran's inventory of conventional military hardware, and some of it will probably be used to provide a point defense against air attack, particularly against military airfields and southern Iranian oil installations. Other equipment will probably be used to add to the mobility and firepower of ground forces assigned to the capital and to western and southwestern Iran.

NOTE: This memorandum was produced solely by CIA. It was prepared by the Office of Current Intelligence and coordinated with the Office of Research and Reports. Except for normal working-level contact with the State Department and with DIA, it was not coordinated further.



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[REDACTED]

The introduction of this materiel, however, will present logistic, maintenance, and personnel training problems of considerable proportions for Iran. These must be solved quickly if the equipment is to be absorbed and employed effectively.

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Background

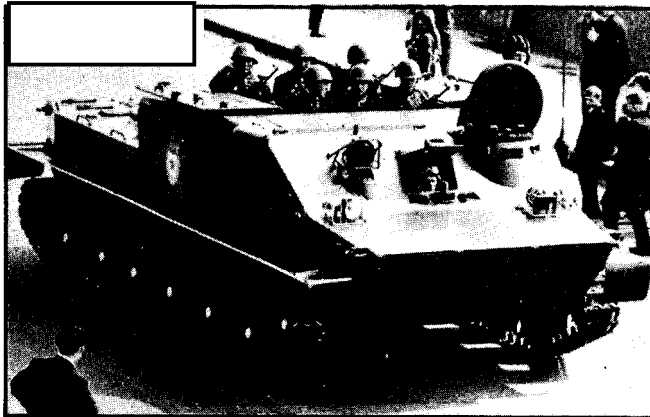
1. During early January 1967, Iran concluded a deal with the Soviet Union to buy military materiel estimated to be worth about \$35 million. This is the first purchase of military equipment by Iran from a Communist country and the Soviet Union's first sale of weapons to a member state of a Western military alliance. The Iranian order was larger than had been indicated by earlier information, but the fact that Iran was dickering with Moscow for the purchase of military equipment had been heralded for some months.

2. The Shah has occasionally prodded the US for increases or changes in its military assistance program. He has thought this fell short of his needs, particularly as he saw them in the face of Nasir's and other radical Arab ambitions, and his resort to the USSR for arms appears to stem primarily from his concern over Iran's almost complete dependence on the US for military equipment. A further factor may have been his anticipation of relatively large clearing balances with the USSR which could be used to finance the purchase.

3. The Shah's alarm over the implications of his dependence on the US apparently first emerged about the time of the fighting between India and Pakistan in the fall of 1965. At that time the Iranian parliament rushed through an authorization for government borrowing of \$200 million for the procurement of military items "from any source." Shortly thereafter, in early 1966, the Shah attempted to tie the question of increased aid from the West to increased Iranian oil revenues, his other principal point of contention with his Western allies. He threatened that without satisfaction on both scores he would look elsewhere for military equipment and would reorient Iran's foreign trade. Several months later he revealed that he had opened negotiations with the Soviet Union for the purchase of antiaircraft guns and missiles. At the same time he was engaged in Western-sponsored talks with the UK over the purchase of ships and Tigercat antiaircraft missiles.

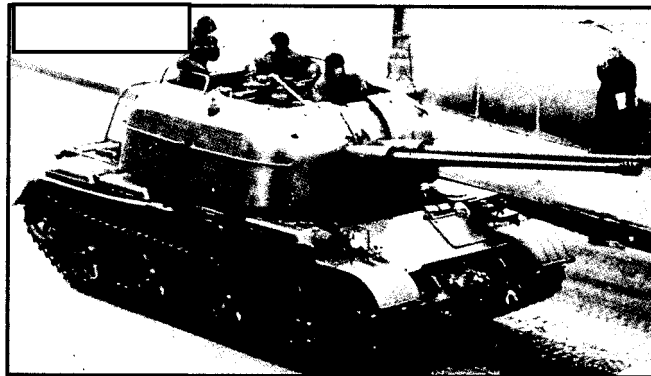
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ARMORED PERSONNEL CARRIER BTR-50PK

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57-mm TWIN SELF-PROPELLED AA GUN ZSU 57-2



23-mm TWIN ANTIAIRCRAFT GUN ZU-23

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The Contract

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[REDACTED] While no information is available on the ancillary supplies such as ammunition, spare parts, and fire-control equipment needed to keep the weapons and equipment functioning, it can probably be assumed that they, too, will be forthcoming.

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[REDACTED]

There is considerable discrepancy in the information on the cost of the Soviet materiel. US estimates, based on the number and kinds of items referred to in the available information, range between \$25 million and \$40 million, with the most likely figure about \$35 million. Iranian officials, however, have mentioned a figure of \$100 million. There is presently no ready explanation for this figure. It could reflect an Iranian formula used in pricing the equipment or it might include the value of the Iranian items earmarked for turnover to the Soviets. On the other hand, it could mean either that the present contract includes more equipment than is indicated in available information or that it is but the first of a series under an arms agreement totaling \$100 million.

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Employment of the Materiel

7. [] towed antiaircraft guns will fill a gap which has been bothering the Shah for some years--defense of the oil installations of southern Iran against air attack. These weapons are most effective against relatively low-flying aircraft, and the Shah probably estimates that in any bombardment of southern Iranian targets by his Arab neighbors the main attacks would be made by fighter-bombers. The jeep-type prime movers for these guns would probably be used primarily in moving the weapons into permanent, fortified emplacements, and would thereafter be available for general purpose work.

8. The larger caliber 57-mm. self-propelled antiaircraft guns would serve as a backup against higher flying aircraft, such as the IL-28s used by the Egyptian Air Force. Since these guns are mounted on modified T-54 medium tank chassis and have good flat trajectory firing characteristics, they could also be used in ground warfare, and would be well adapted for a mobile defense role in the open country of western and southwestern Iran.

9. Acquisition of the Soviet 23-mm. and 57-mm. antiaircraft weapons will more than triple Iran's present inventory of ground-based AAA guns, and thus will ensure the availability of immediate conventional firepower for use pending the acquisition of a more advanced air defense system. It seems likely that most, if not all of [] small caliber and [] medium caliber AAA weapons will be used for point defense of the following (see map):

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- a. Hamadan (Sharokhi Air Base)
- b. Dezful (Vahdati Air Base)
- c. Khark Island (port oil facilities)
- d. Teheran (airfields, Air Defense Center, government facilities)
- e. Abadan (refinery, port, airfields)
- f. Bandar-e Mashur (port, oil storage)
- g. Ahvaz (airfield, oil storage)
- h. Khorramshahr (port, naval facilities)
- i. Bandar-e Shahpur (port)
- j. Bandar Abbas (radar, naval base in construction)

- k. Isfahan (airfield, oil storage)
- l. Kermanshah (refinery, military facilities)
- m. Shiraz (air base)
- n. Karaj (dam)
- o. Safid Rud (dam)

10. It is not clear what control system is to be used with the Soviet AAA equipment; [redacted]

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12. [redacted] armored personnel carriers (APCs) ordered from the Soviets would exceed by more than half the number of APCs Iran expects to receive from the US by the end of 1968, and would, if concentrated in one unit, be sufficient to carry the equivalent of one infantry division. There is no indication, however, of the manner in which the Soviet APCs are to be apportioned to Iranian units. If they are concentrated under one command, they would probably be kept in the Teheran area. This would simplify maintenance and control. However, it might be decided that the advantages of having some APC capability at several points would outweigh this. In that case, one APC-equipped brigade each might be given the First Army in Kermanshah and the Third Army in Shiraz, with one kept in strategic reserve.

[REDACTED]

13. The general purpose trucks of all varieties will probably be kept under Supreme Headquarters and Field Army control to simplify maintenance. Their number is somewhat less than that of the general purpose military trucks already in Iran, but, if the Soviet vehicles can be maintained, their presence will significantly increase both the mobility and the logistic potential of the Iranian armed forces.

[REDACTED] the trucks would meet Iranian needs until Iran begins producing its own--which is several years away.

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14. For all the new Soviet equipment, Iranian maintenance capability will be a key, and presently a most uncertain, factor. The ability of the Iranian armed forces to absorb new equipment is tied directly to this capability, which is, or will be, devoted almost entirely to the maintenance of present and programmed US military materiel shipments. The introduction of large amounts of unfamiliar Soviet equipment will require the establishment of a sizeable maintenance system, which will, in turn, require the training of at least 2,000 mechanics and technicians. This will take time. The training of a maintenance specialist on comparable US equipment takes from nine to twelve months, and a great expansion of training facilities would be required to train large numbers of mechanics and other specialists on Soviet equipment. If the Soviet deliveries are geared to the Iranian Government's present ability to set up maintenance facilities and to train specialists without outside help, they will have to be stretched out over several--perhaps as many as five--years. If, on the other hand, the equipment is shipped into Iran before the logistical maintenance base--of facilities, parts, and trained personnel--is ready, a great deal of confusion could result. The average number of Iranian Army vehicles out of service for maintenance and repair on any given day, for example, has now been reduced to about eight percent. It would certainly climb to many times this figure if the Soviet materiel is not introduced with the greatest care.

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Net Effect

15. The acquisition of Soviet military equipment could materially increase the mobility and air defense capability of the Shah's forces, particularly vis-a-vis his Arab neighbors. In this respect the greatest advantage that the Soviet items seem to offer is that they could fill soon several gaps in the Iranian arsenal which would otherwise remain open for some time under present schedules in the US military assistance program. These are gaps that have evidently assumed great importance in the Shah's mind, particularly the provision of a capability for the air defense of oil installations. However, their acquisition will also introduce a host of maintenance and logistical problems which will strain the country's resources. This is not so much because of the nature of the equipment items, which are relatively unsophisticated, but because of their number. It is unlikely, at least for the foreseeable future, that the Shah will consider any purchase of Soviet military equipment as anything more than a supplement to the US program already in being, which has amounted to more than \$1 billion since 1948 and provides the basic equipment for the entire Iranian military establishment.

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Talking Paper on "Iran: The Impact of Soviet Arms"

1. This memorandum was self-initiated by the Middle East/Africa Area, and was coordinated with Military Division and with ORR. It has not been coordinated outside the agency, but the author discussed the subject with DIA and State prior to writing.

2. The paper outlines the background of the recently disclosed Iranian-Soviet arms deal and makes the points that:

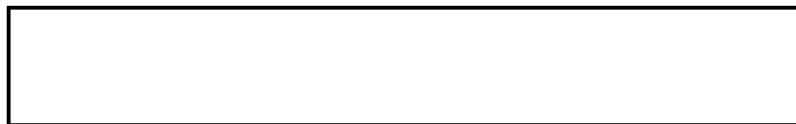
a. The Shah, who has felt that US military assistance was not providing all he wanted and who since the 1965 Kashmir crisis has been uneasy about his nearly complete dependence on the US for arms, probably looks on Soviet arms principally as supplementing those he gets from the US.

b. The equipment he will obtain by barter beginning in March, as listed by Iranian officials, is estimated to be worth about \$35 million, but it is possible he is or will be getting more than that, perhaps up to \$100 million worth.

c. It will enable him to plug with conventional hardware a defense gap that has bothered him--the air defense of southern Iranian oil installations--pending deployment of a more sophisticated system, and will add to the firepower and mobility of the ground forces.

d. Absorption of this equipment, which adds materially to the Iranian inventory, will present for the Iranians a logistical and training problem of no mean proportions, one which will strain Iranian capabilities.

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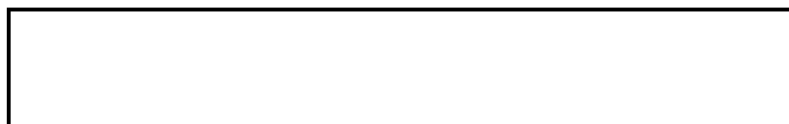


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3. The DCI may find interesting the Summary, paras 1-6 (on the contract and its background), 14 (on the logistics problems), and 15 (on the net effects).



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